



June 26, 2007

Mr. Kevin J. Martin
Chairman
Federal Communications Commission
445 12th Street SW
Washington DC 20554

Dear Chairman Martin:

Thank you for taking time to meet with me to discuss our concerns regarding the upcoming 700 MHz auction. I appreciate your willingness to consider the impacts of this important event. As I mentioned, I am confident that if the 700 MHz auction is designed correctly, it will help bring the next-generation of wireless services to both rural and urban America and will ensure robust auction proceeds for the government. I hope that you will be willing to convey your support for the suggestions we have made for achieving those goals to the other FCC Commissioners, if you have not already done so.

Very briefly, the core suggestions we discussed were as follows:

- 1) most importantly, that the Commission should include a mix of small geographic license areas in the upper part of the 700MHz band to produce a fair and competitive auction with a broad base of participation.
- 2) the Commission should adopt a traditional SMR (simultaneous multi-round) format without package bidding, for the entire auction.
- 3) the 700 MHz auction should be conducted without anonymous bidding and the Commission should use a lower (2.5) eligibility ratio as its threshold condition for transparent bidding and information disclosure.
- 4) the Commission should adopt meaningful, reasonable population-based (rather than geography-based) performance requirements for each license.
- 5) the Commission should reject the Frontline proposal since that proposal would set aside 10MHz of spectrum with rules tailored for a single company and business plan.

It is very clear that the rules of this auction will directly impact the opportunities for small and midsized companies to actively participate in the deployment of advanced wireless technologies. I urge you to provide a balanced mix of competitive licensing opportunities for small and medium-sized service providers in the upper 700 MHz band, with one CMA and one EA block in the upper band in addition to the lower 700 CMA and EA blocks, to ensure that the auction benefits potential subscribers in all parts of the country, including the rural and small town areas.

Thank you for your interest and consideration.

Yours truly,

A handwritten signature in dark ink, reading "LeRoy T. Carlson, Jr." in a cursive script.

LeRoy T. Carlson, Jr.
Chairman, United States Cellular
President and CEO Telephone & Data Systems, Inc.,